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**UNITED STATES DISTRICT COURT
FOR THE
EASTERN DISTRICT OF CALIFORNIA**

GAYLE NORTON,
Plaintiff,
v.
**MANDARICH LAW GROUP,
LLP,**
Defendant.

Case No.:

COMPLAINT FOR DAMAGES FOR VIOLATIONS OF:

- 1.) FAIR DEBT COLLECTION PRACTICES ACT, 15 U.S.C. §§ 1692 ET SEQ.; AND
- 2.) ROSENTHAL FAIR DEBT COLLECTION PRACTICES ACT CAL CIV §§ 1788, ET SEQ.

DEMAND FOR JURY TRIAL

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1 **INTRODUCTION**

2 1. This is a case about law firm solely dedicated to debt collection, that harassed a
3 consumer even after she asserted her right not to be contacted.

4 2. **GAYLE NORTON** (“Plaintiff”), by her attorney, brings this action for actual
5 damages, statutory damages, attorneys fees, and costs, against **MANDARICH**
6 **LAW GROUP, LLP** (“Defendant”) for violations of the Fair Debt Collection
7 Practices Act, 15 U.S.C. §§ 1692 et seq. (“FDCPA”) and the Rosenthal Fair Debt
8 Collection Practices Act, Cal. Civ. Code §§ 1788 et seq. (“RFDCPA”), both of
9 which prohibit debt collectors from engaging in abusive, deceptive and unfair
10 practices.

11 3. Plaintiff makes these allegations on information and belief, with the exception
12 of those allegations that pertain to the Plaintiff, or to the Plaintiff’s counsel,
13 which Plaintiff alleges on personal knowledge.

14 4. While many violations are described below with specificity, this Complaint
15 alleges violations of the statutes cited in their entirety.

16 5. All violations by Defendant were knowing, willful, and intentional, and
17 Defendant did not maintain procedures reasonably adapted to avoid any such
18 violations.

19 6. Unless otherwise indicated, the use of a Defendant’s name in this Complaint
20 includes all agents, principles, managing agents, employees, officers, members,
21 directors, heirs, successors, assigns, principals, trustees, sureties, subrogees,
22 representatives, and insurers of that Defendant named.

23 **JURISDICTION AND VENUE**

24 7. Jurisdiction of this court arises pursuant to 15 U.S.C. § 1692k(d), which states
25 that such actions may be brought and heard before “any appropriate United States
26 district court without regard to the amount in controversy,” 28 U.S.C. § 1331,
27 which grants this court original jurisdiction of all civil actions arising under the

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1 laws of the United States, and pursuant to 28 U.S.C. § 1367 for pendent state law
2 claims.

3 8. This action arises out of Defendant's violations of the FDCPA, and the
4 RFDCPA.

5 9. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because the acts and
6 transactions occurred here, Plaintiff resides here, and Defendant transacts
7 business here.

8 **FDCPA AND RFDCPA**

9 10. In enacting the FDCPA, Congress found that:

- 10 a. There is abundant evidence of the use of abusive, deceptive, and unfair debt
11 collection practices by many debt collectors. Abusive debt collection
12 practices contribute to the number of personal bankruptcies, to marital
13 instability, to the loss of jobs, and to invasions of individual privacy.
- 14 b. Existing laws and procedures for redressing these injuries are inadequate to
15 protect consumers.
- 16 c. Means other than misrepresentation or other abusive debt collection
17 practices are available for the effective collection of debts.
- 18 d. Abusive debt collection practices are carried on to a substantial extent in
19 interstate commerce and through means and instrumentalities of such
20 commerce. Even where abusive debt collection practices are purely intrastate
21 in character, they nevertheless directly affect interstate commerce.
- 22 e. It is the purpose of this title to eliminate abusive debt collection practice by
23 debt collectors, to insure that those debt collectors who refrain from using
24 abusive debt collection practices are not competitively disadvantaged, and to
25 promote consistent State action to protect Consumers against debt collection
26 abuses. 15 U.S.C. § 1692.

27 11. Similarly, when enacting the RFDCPA, the California Legislature found that:

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The banking and credit system and grantors of credit to consumers are dependent upon the collection of just and owing debts. Unfair or deceptive collection practices undermine the public confidence which is essential to the continued functioning of the banking and credit system and sound extensions of credit to consumers. Cal. Civil Code § 1788.1(a)(1).

12. The FDCPA and the RFDCPA are both strict liability statutes. That is, a plaintiff need not prove intent or knowledge on the part of the debt collector to establish liability. *See Gonzales v. Arrow Fin. Servs., LLC*, 660 F.3d 1055, 1060-61 (9th Cir. 2011); *Donohue v. Quick Collect*, 592 F.3d 1027, 1030 (“[t]he FDCPA is a strict liability statute that makes debt collectors liable for violations that are not knowing or intentional”).
13. To further protect consumers, claims under the FDCPA and RFDCPA are to be judged according to the “least sophisticated debtor” or “least sophisticated consumer” standard. *Gonzales* at 1061. This standard is lower than the “reasonable debtor” standard, and is specifically designed to protect consumers of below average and sophistication or intelligence. *Id.* In addition, a plaintiff need not even have actually been misled or deceived by the debt collector’s communication. Rather, liability depends on whether the *hypothetical* least sophisticated debtor – someone who is uninformed and naïve – would have likely been misled. *Id.*; *see also Tourgeman v. Collins Financial Servs.*, 755 F.3d 1109, 1119 (9th Cir. 2014).

PARTIES

14. Plaintiff is a natural person who resides in Tulare County, California. Plaintiff is a “consumer” as that term is defined by 15 U.S.C. § 1692a(3) and a “Debtor” as that term is defined by Cal. Civ. Code § 1788.2(h).
15. Defendant Mandarich Law Group, LLP is a Illinois corporation operating from an address of 420 N. Wabash Ave. STE 400, Chicago, IL 60611, and is a “Debt Collector” as that term is defined by 15 U.S.C. § 1692a(6) and Cal. Civ. Code §

1 1788.2(c) because it regularly uses the mails and/or the telephone to collect, or
2 attempt to collect, directly or indirectly, defaulted consumer debts that it did not
3 originate. It operates a nationwide debt collection business and attempts to collect
4 debts from consumers in virtually every state, including consumers in the State of
5 California. Its principal, if not sole, business purpose is the collection of defaulted
6 consumer debts originated by others, and, in fact was acting as a debt collector as
7 to the delinquent consumer debt it attempted to collect from Plaintiff.

8 16. This case involves money due or owing or alleged to be due or owing from a
9 natural person by reason of a consumer credit transaction. As such, this action
10 arises out of a “consumer debt” and “consumer credit” as those terms are
11 defined by Cal. Civ. Code § 1788.2(f).

12 **FACTUAL ALLEGATIONS**

13 17. Plaintiff is an individual residing in Tulare County, California.
14 18. Plaintiff is informed and believes, and thereon alleges, that at all times relevant,
15 Defendant conducted and continues to conduct business in the State of
16 California.
17 19. Defendant's business consists solely of the collection of delinquent consumer
18 debts.
19 20. Plaintiff had a debt with Synchrony Bank for a CareCredit loan that was used for
20 personal, family or household purposes.
21 21. Plaintiff fell behind on payments and the loan was bought by Midland Credit
22 Management, Inc. for pennies on the dollar.
23 22. Defendant was employed by Midland Credit Management, Inc. as its agent-in-
24 fact to collect this debt from Plaintiff.
25 23. On or about November 9, 2021, Plaintiff wrote to Midland Credit Management,
26 Inc. to tell them she refused to pay any debt they were trying to collect and not to
27 contact her again.

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1 24. On or about January 3, 2022, Plaintiff wrote again to Midland Credit
2 Management, Inc. to tell them she refused to pay any debt they were trying to
3 collect and not to contact her again.

4 25. On January 14, 2022, Plaintiff received confirmation via the U.S. Postal Service
5 that Midland Credit Management, Inc. had received her letter of January 3, 2022.

6 26. On or about February 16, 2022, Plaintiff received a letter from Defendant in
7 response to her letter to Defendant's client, Midland Credit Management, Inc.

8 27. Defendant's letter dated February 16, 2022 told Plaintiff that "we are in receipt
9 of your request for verification of the above-referenced debt" and proceeded in
10 51 pages to outline to Plaintiff, Defendant's detailed justification for how much
11 she owed to Defendant on behalf of Midland Credit Management, Inc. and why.

12 28. Plaintiff never "requested verification" of the debt.

13 29. Plaintiff never communicated directly with Defendant.

14 **ACTUAL DAMAGES**

15 30. Plaintiff has suffered actual damages as a result of these illegal collection and
16 intimidation tactics by this Defendant in the form of invasion of privacy, personal
17 embarrassment, loss of personal reputation, loss of productive time, nausea, and
18 feelings of fear, anxiety, hopelessness, anger, persecution, emotional distress,
19 frustration, upset, humiliation, and embarrassment, amongst other negative
20 emotions.

21 **CAUSES OF ACTION CLAIMED BY PLAINTIFF**

22 **COUNT I**

23 **VIOLATION OF § 1692C OF THE FDCPA**

24 31. Plaintiff incorporates by reference all of the above paragraphs of this Complaint
25 as though fully stated herein.

26 32. A debt collector violates § 1692c of the FDCPA when it, communicates with a
27 consumer after the consumer notifies it in writing that they refuse to pay or wish
28 the debt collector to stop communicating.

1 33. Defendant violated §1692c of the FDCPA when it among other qualifying
2 actions and omissions, willfully and without justification, communicated with
3 Plaintiff after Plaintiff notified Defendant in writing, via USPS Certified Mail,
4 that she refused to pay the debt, and that did not want anyone to communicate
5 with her about it.

6 **COUNT II**

7 **VIOLATION OF § 1692E OF THE FDCPA**

8 34. Plaintiff incorporates by reference all of the above paragraphs of this Complaint
9 as though fully stated herein.
10 35. A debt collector violates § 1692e of the FDCPA when it uses any false, deceptive,
11 or misleading representation or means in connection with the collection of any
12 debt.
13 36. Defendant violated § 1692e when it, among other qualifying actions and
14 omissions, willfully communicated information that it knew or should have
15 known to be false, to wit: that Plaintiff had “requested verification” of the debt.

16 **COUNT III**

17 **VIOLATION OF § 1788.17 OF THE RFDCPA**

18 37. Plaintiff incorporates by reference all of the above paragraphs of this Complaint
19 as though fully stated herein.
20 38. A defendant violates § 1788.17 of the RFDCPA when it fails to comply with
21 the provisions of 15 U.S.C. § 1692b to 1692j, inclusive.
22 39. Defendant violated § 1788.17 of the RFDCPA when it willfully engaged in
23 conduct, the natural consequence of which the violation of 15 U.S.C. § 1692c,
24 and § 1692e.

25 **PRAYER FOR RELIEF**

26 **WHEREFORE**, Plaintiff prays that judgment be entered against Defendant for:

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- 1 a) Award of actual damages pursuant to 15 U.S.C. § 1692k(a)(1) (FDCPA)
2 and pursuant to Cal. Civ. Code § 1788.30 (RFDCPA), against Defendant
3 and for Plaintiff, and,
- 4 b) Award of statutory damages in the amount of \$1000.00 pursuant to 15
5 U.S.C. § 1692k(a)(1) (FDCPA) against Defendant and for Plaintiff, and,
- 6 c) Award of statutory damages in the amount of \$1000.00 pursuant to Cal.
7 Civ. Code § 1788.30 (RFDCPA) against Defendant and for Plaintiff, and,
- 8 d) Award of costs of litigation and reasonable attorney's fees pursuant to 15
9 U.S.C. § 1692k(a)(1) (FDCPA) and pursuant to Cal. Civ. Code § 1788.30
10 (RFDCPA), against Defendant and for Plaintiff, and,
- 11 e) Award to Plaintiff of such other and further relief as may be just and
12 proper.

TRIAL BY JURY IS DEMANDED.

- 14 40. Pursuant to the Seventh Amendment to the Constitution of the United States of
15 America, Plaintiff is entitled to, and demands, a trial by jury.

17 **THE CARDOZA LAW CORPORATION**

18 DATED: March 22, 2022

19 BY: /s/ MICHAEL F. CARDOZA
20 MICHAEL F. CARDOZA, Esq.
21 LAUREN B. VEGGIAN, Esq.
22 ATTORNEYS FOR PLAINTIFF
23 GAYLE NORTON

1 ELECTRONICALLY STORED INFORMATION REQUEST

2 This notice is to demand that you preserve all documents, tangible things and
3 electronically stored information (“ESI”) potentially relevant to any issues in the
4 above-entitled matter. This specifically includes, but is not limited to, all
5 information pertaining to the above matter, including specifically all recordings of
6 any telephone communication between your company and Plaintiff.

7 As used in this request, “you” and “your” or “your client” refers to your
8 organizations, and its predecessors, successors in interest, assignees, parents,
9 subsidiaries, divisions or affiliates, and their respective officers, directors,
10 employees, servants, agents, attorneys, and accountants.

11 Much of the information subject to disclosure or responsive to discovery is
12 stored on your client’s current and former computer systems and other media and
13 devices (such as: personal digital assistants, voice-messaging systems, online
14 repositories and cell phones).

15 Electronically stored information (“ESI”) should be afforded the broadest
16 possible definition and includes (for example and not as an exclusive list)
17 potentially relevant information whether electronically, magnetically or optically
18 stored.

19 This preservation obligation extends beyond ESI in yours or your client’s
20 care, possession or custody and includes ESI in the custody of others that is subject
21 to your client’s direction or control. You must notify any current or former agent,
22 attorney, employee, custodian or contractor in possession of potentially relevant ESI
23 to preserve such ESI to the full extent of your client’s obligation to do so, and you
24 must try to secure their compliance.